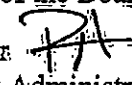
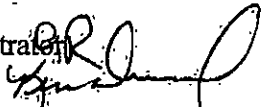


Board of County Commissioners
Budget Discussion Item

Date of Meeting: July 8, 2008

Date Submitted: July 2, 2008

To: Honorable Chairman and Members of the Board

From: Parwez Alam, County Administrator 
Alan Rosenzweig, Assistant County Administrator
Kim Dressel, Management Services Director 

Subject: Reuse of the Tharpe Street Facility for Records Storage and Other Long-Term Facility Needs

Statement of Issue:

This Budget Discussion Item seeks Board approval to reuse the Tharpe Street facility to meet the County's long-term records storage and other long-term facility needs.

Background:

On January 23, 2007, the Board authorized staff to issue an Invitation to Bid for the purchase and sale of County-owned property located at 3401 W. Tharpe Street (Tharpe Street facility), the prior location of Growth and Environmental Management. In addition to its normal notification process, the Purchasing Division placed a listing with CoStar.com, a subscription real estate internet service used by commercial Realtors. Bidding was extended through July, and the County received no bids.

Subsequent to the issuance of the Invitation to Bid, and prior to the closing date, the Leon County School Board contacted staff and expressed an interest in the Tharpe Street facility, however acceptable terms were not reached. Additionally, at about the same time, Florida laws were enacted that made the Counties financially responsible for providing facilities for the Regional Conflict Counsels, and the Tharpe Street facility was evaluated and determined to be a feasible location. The Regional Conflict Counsel, however, leased alternative space through one-time State funding, and the legality of this unfunded mandate is being challenged.

The need for additional records storage area has been a recurring issue for the County, but focus on the issue was heightened with the preparation of the FY 08/09 budget at the start of this calendar year. The Public Defender, Supervisor of Elections and County offices requested additional storage capacity (the County is responsible for providing facilities to Article V entities and County Officers).

In order to gain a broad view of the issue, staff surveyed offices to identify the quantity of records stored off-site in rented facilities, and the quantity of records stored within office areas that would more efficiently be stored off-site. Based on that analysis and other considerations, staff is recommending the reuse of the Tharpe Street facility to meet the County's long-term records storage needs.

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Analysis:

The County currently needs to accommodate approximately 21,578 records storage cartons and bulk storage of 4,696 square feet (SF). The Facilities warehouse provides storage for approximately 5,832 records storage cartons. This leaves approximately 15,746 cartons and 4,696 SF of bulk storage to be accommodated elsewhere, either through the use of rented space or by retaining records within office areas (which would be more cost effective stored off-site in less expensive space). Additionally, records storage needs are increasing by approximately 3% per year (a 7% increase in new records, with 4% of the existing records being purged).

Combined, the County is spending approximately \$72,050 per year to rent storage area.

Storage Demand Summary				
Use/Location:	Entity	Annual Cost	Square Feet	Cartons
A. Off-Site:				
1. Archive	Clerk of Courts	\$19,114	6,000	8,700
2. Archive	Public Defender	\$1,440	300	720
3. Archive (at State Archives)	Clerk of Courts	\$2,268		756
4. Archive (off site security)	MIS	\$126		42
5. Archive (at State Archives)	Public Defender	\$1,905		635
6. Archive (at State Archives)	State Attorney	\$4,305		1,435
7. Material	Supervisor of Elections	\$21,892	2,054	0
8. Miscellaneous (Surplus, Furniture)	Facilities Mgmt.	\$21,000	6,000	0
SUBTOTAL		\$72,050	14,354	12,288
B. Storage within Offices:				
1. Archive (within office area)	Multiple Entities			3,458
C. Stored at Facilities Mgmt.'s Warehouse:				
1. Archive (at Facilities)	Multiple Entities			5,832
GRAND TOTAL		\$72,050	14,354	21,578

Staff estimates it can ready the Tharpe Street facility to meet the County's long-term storage needs for a one-time cost of \$190,000 and annual operating costs of approximately \$33,000 (\$39,050 less than current rent costs), which equates to a simple pay back period of 4.9 years. The one-time estimated costs include: shelving - \$98,358; installation of shelving for the Clerk and Supervisor of Elections - \$9,962; a lift for the Clerk's area - \$6,500; a used forklift for the Supervisor of Elections' area - \$15,000; fire suppression system - \$19,280; lighting - \$5,500; and doors, locks and minor construction - \$35,400. Funding for these anticipated costs is included in the proposed FY 08/09 budget.

The Tharpe Street facility contains approximately 25,258 SF of space (of which approximately 6,994 SF is warehouse area), and 1.6 acres of land. Its most recently appraised value was \$1,290,000

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(based on the average of two appraisals), or approximately \$51.07 per SF. The appraised value is far below the anticipated cost to duplicate the space. The national average cost for warehouse construction is \$96.50 per SF for a building in the 10,000 SF range, which equates to \$2,437,397 for the 25,258 SF Tharpe Street facility. The cost for site development, for new construction, is \$150,000 per acre, which equates to \$240,000 for the 1.6 Tharpe Street facility site. The total replacement cost estimate, excluding the land value, is \$2,677,397 or \$106.00 per SF. Staff estimates less than three-fourths of the space will be utilized for storage in the near term, which leaves additional office area to meet future needs, at a lower cost than the County is likely to find elsewhere.

Options:

- 1.. Direct staff to reuse the Tharpe Street facility as described in this Budget Discussion Item through the inclusion of a one-time \$190,000 CIP with an anticipated pay-back of less than 5 years through lease savings.
- 2.. Do not direct staff to reuse the Tharpe Street facility as described in this Budget Discussion Item through the inclusion of a one-time \$190,000 CIP with an anticipated pay-back of less than 5 years through lease savings.
- 3.. Board Direction.

Recommendation:

Option #1 is included in the tentative budget.

PA/AR/KD